

# Legislative Analysis



## REQUIRE SALARY INFORMATION POSTINGS FOR CHARTER SCHOOLS

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**House Bill 5269 as reported from committee**  
**Sponsor: Rep. Matt Koleszar**  
**Committee: Education**  
**Complete to 5-20-24**

*(Enacted as Public Act 214 of 2024)*

### SUMMARY:

House Bill 5269 would amend several sections of the Revised School Code to require a public school academy (PSA, or charter school) to post certain information on its website regarding salary. This requirement would also apply to an urban high school academy, a strict discipline academy, and a school of excellence. The required salary information would include:

- The average salary for ***new teachers*** and the average salary for ***veteran teachers*** employed by a PSA, urban high school academy, strict discipline academy, or school of excellence or employed by an ***educational management organization*** (EMO) and assigned to that school. If there are fewer than five new teachers or five veteran teachers at the school, then the average salary for all teachers employed by that school or employed by an EMO and assigned to the school would have to be posted.
- The average salary for ***support staff*** employed by the school or employed by an EMO and assigned to that school.

***New teacher*** would mean an individual who has held a teaching certificate for less than five years.

***Veteran teacher*** would mean an individual who has held a teaching certificate for five or more years.

***Educational management organization*** would mean an entity that enters into an agreement with the respective PSA type to provide comprehensive educational, administrative, management, or instructional services or staff to that school.

***Support staff*** would include at least student-facing paraprofessionals, food service workers, bus drivers, and literacy coaches.

The bill would establish an annual deadline of November 1 to comply with these requirements.

The bill would take effect 90 days after the date it enacted.

MCL 380.504a et seq.

## **BRIEF DISCUSSION:**

Current law requires certain financial data<sup>1</sup> to be posted and updated at least annually on the respective websites of Michigan's public schools (including school districts, intermediate school districts, and PSAs). This includes information such as the board-approved budget, personnel expenditures, and current operating expenditures as well as information on current contracts and collective bargaining agreements.

Because some PSA boards hire a management organization to run day-to-day operations of the school, certain parts of their transparency postings are less detailed than those posted by school districts, as the salary of teachers in a school building operated by a management organization is paid by that organization rather than the school itself if instructional services are part of the EMO's contract. For example, a line item may be provided for the total of a PSA's contracted instructional services, while a school district will have a line item as well as the collective bargaining agreement detailing salary and benefits for specific staff designations.

Some consider a PSA's posting to be inadequately detailed if it hires a management company to provide school staffing, and they believe that all schools should be providing equivalent information as part of their mandated transparency posting so that prospective teachers applying for positions at a PSA will be aware of a typical salary before going into the application process.

## **FISCAL IMPACT:**

The bill would have no fiscal impact on the state and create minimal costs for public school academies, urban high school academies, strict discipline academies, and schools of excellence due to the requirement to post salary information to a public website. Costs would likely be absorbed using existing staff time.

## **POSITIONS:**

The Michigan Association of School Boards indicated support for the bill. (4-23-24)

The following entities indicated opposition to the bill (10-31-23):

- Great Lakes Education Project Education Fund
- Mackinac Center for Public Policy

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

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<sup>1</sup> <https://www.michigan.gov/mde/-/media/Project/Websites/mde/OFM/State-Aid/Chad/Transparency-Guidance.pdf>